

Corporate Name and Management Announced for New Telecommunications Company

Tokyo, Japan, July 24 – Hitachi, Ltd. (TSE:6501, NYSE:HIT, Hitachi) and Hitachi Telecom Technologies, Ltd. (President: Yukio Kawamoto; hereinafter “Hitachi Telecom”) today announced the corporate name and management for a new company, which was the subject of a prior announcement made on April 24, 2002, “Hitachi Reorganizing Operations to Strengthen Hitachi Group’s Telecommunication Equipment Business.”

Accelerated convergence of computers and communications and progress with broadband technology are combining to bring a “ubiquitous information society” ever closer to becoming a reality. As this happens, the volume of data sent around networks is expected to grow phenomenally, creating increasing demand for communications network solutions services, particularly related to IP (Internet Protocol) networks.

Meanwhile, the telecommunications equipment market is witnessing escalating competition as national borders give way to market forces. At the same time, technological innovation is propelling us toward IP-based, open networks. Hitachi is conscious of the need to bolster its competitiveness on the world stage in light of these trends. This is being accomplished through greater selection and concentration of resources to create speedier, more efficient businesses.

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The new company will be formed by separating Hitachi's Telecommunication Systems Division along with other Hitachi departments that handle marketing and support services for telecommunications equipment operations, and integrating these units with Hitachi Telecom. The separation and integration takes advantage of Japan's new corporate split-off system.

The new company will be a core entity, providing products that support the Hitachi Group in offering communications network solutions, a central focus of its systems solutions business. The new company will integrate everything from development and manufacturing to sales and maintenance of telephone switching equipment for the public and private sectors, optical transmission equipment, base stations for mobile communications systems, IP-related equipment and network equipment. This will significantly strengthen the Hitachi Group's communications network solutions business.

Details of the new company are as follows.

Profile of the New Company

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|------------------------|---|
| 1. Company name | Hitachi Communication Technologies, Ltd. |
| 2. Capital | ¥3.0 billion |
| 3. Main business lines | Manufacturing and sales of communications-related equipment |
| 4. President | Yukio Kawamoto (Presently President, Hitachi Telecom) |

5. Start of operations	October 1, 2002
6. Address	(Head office) D Building, Omori Bellport, 6-26, Minami-ohi, Shinagawa-ku, Tokyo (Manufacturing bases) 216, Totsuka-cho, Totsuka-ku, Yokohama, Kanagawa 94, Aza Funabamukai, Kooriyamashi, Fukushima
7. No. of employees	Approx. 1,540
8. Net sales	Approx. ¥60 billion (projected figure for the fiscal year ending March 31, 2003)
9. Management	
President and Director	Yukio Kawamoto (President, Hitachi Telecom)
Senior Managing Director	Eiji Aoki (Head, Managing Officer President, Telecommunication Systems Division, Hitachi)
Managing Directors	Kenzo Tamaki (Managing Director, Hitachi Telecom) Tetsuaki Egawa (Managing Director, Hitachi Telecom)
Directors (Part time)	Kunihiro Kamiya (Managing Officer, Chief Operating Officer, Information Business Group, Hitachi) Kazuo Furukawa (Administrative Officer, Chief Operating Officer, Information & Telecommunication Systems, Hitachi)
Executive Officers	Hiroatsu Suzuki (Presently Director, Hitachi Telecom) Hiroshi Yamazaki (Director, Hitachi Telecom) Tokuoki Nishikawa (Director, Hitachi Telecom) Yoshihiro Miyano (Vice President, Telecommunication Systems Division, Information & Telecommunication Systems Group, Hitachi)

Tsutomu Hayashi (Senior Vice President,
Telecommunications Network Sales Division,
Industrial & Infrastructure Information Systems Sales
Management Division, Hitachi)

Ken Masuda (Executive Vice President,
Telecommunication Systems Division, Information &
Telecommunication Systems Group, Hitachi)

Corporate Auditor

Masanori Ariyoshi (Corporate Auditor, Hitachi
Telecom)

Auditors (part time)

Hiroshi Yamauchi (Senior Manager, Group
Management Office, Hitachi)

Kazuo Yoshioka (General Manager, Finance
Department, Information Business Group, Hitachi)

About Hitachi

Hitachi, Ltd., headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 320,000 employees worldwide. Fiscal 2001 (ended March 31, 2002) consolidated sales totaled 7,994 billion yen (\$60.1 billion). The company offers a wide range of systems, products and services in market sectors, including information systems, electronic devices, power and industrial systems, consumer products, materials and financial services. For more information on Hitachi, please visit the company's Web site at <http://global.hitachi.com>.

About Hitachi Telecom

Hitachi Telecom Technologies, Ltd., in Fukushima, Japan is a wholly owned subsidiary of Hitachi, Ltd. The company manufactures and markets to corporate customers products such as PBX-and IP related products. For more information on Hitachi Telecom Technologies, please visit its Web site at <http://www.hitachi-telecom.co.jp/>

Reference: Abridged Biography

Name: Yukio Kawamoto

Date and place of birth: Aug. 1936, Osaka

Abridged biography:

Mar. 1959	Kyoto University, Electrical Engineering
Apl. 1959	Joined Hitachi, Ltd.
Sep. 1966	Completed masters degree at University of California
Aug. 1981	Appointed Deputy General Manager, Central Research Laboratory, Hitachi
Jun. 1985	Appointed General Manager, Hitachi Research Laboratory
Jun. 1989	Appointed Head, New Media Development
Feb. 1990	Appointed General Manager, Information & Image System Division
Jun. 1991	Appointed Director
Jun. 1993	Appointed Managing Director
Jun. 1995	Appointed President, Hitachi Information Network, Ltd.
Jun. 1999	Appointed President, Hitachi Telecom Technologies, Ltd.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
